

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 1964 - SB 2433

February 25, 2018

SUMMARY OF BILL: Creates the *Opioid Abuse Treatment and Prevention Act*. Requires the Department of Health (DOH) to administer an opioid abuse treatment and prevention allocation program to eligible entities to combat opioid abuse in this state. Defines “eligible entity” as a city, a county, a metropolitan government, or any combination thereof. Authorizes the DOH to determine the amount of each allocation. Authorizes the transfer of no more than \$250,000,000 from the reserve fluctuations to the general fund to appropriate \$250,000,000 for opioid abuse treatment and prevention.

Requires each receiving entity, by April 1, 2019, to submit a written report on the use of program funds to the DOH, the Finance, Ways and Means Committees of the Senate and the House of Representatives, the Health and Welfare Committee of the Senate, the Health Committee of the House of Representatives, and the Directors of the Office of Legislative Budget Analysis.

ESTIMATED FISCAL IMPACT:

Increase State Revenue – \$250,000,000/One-Time/Opioid Abuse Treatment and Prevention Program Fund

**Increase State Expenditures – \$250,000,000/One-Time/Rainy Day Fund
\$250,000,000/One-Time/Opioid Abuse Treatment and Prevention Program Fund
Exceeds \$400,000/One-Time/General Fund**

Increase Local Revenue – \$250,000,000/One-Time/Permissive

Increase Local Expenditures – \$250,000,000/One-Time/Permissive

Assumptions:

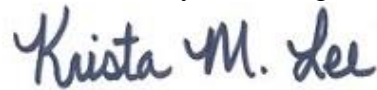
- Any administrative costs to administer the opioid abuse treatment and prevention allocation program are assumed to be in addition to the \$250,000,000 allocation.
- The DOH cannot accommodate the provisions of the proposed legislation within existing resources. It is assumed the DOH would contract out these services in order to

process the applications received by August 15, 2018, and distribute the allocations on September 1, 2018, as required by the proposed legislation.

- The one-time increase in state expenditures for contract services is estimated to exceed \$400,000. It is assumed that an appropriation from the General Fund will be required to fund such expenditures.
- Money from the reserve fluctuations will be transferred to the General Fund and appropriated to an Opioid Abuse Treatment and Prevention Program Fund to administer the opioid abuse treatment and prevention allocation program created by this *Act*. For the purposes of this fiscal analysis, it is assumed that no federal funding or any funding from other sources will be available for the program.
- Eligible entities include a city, county, a metropolitan government, or any combination thereof. It is assumed such entities can accommodate the provisions of the proposed legislation within existing resources without a significant increase in local government expenditures.
- The time period over which eligible entities will expend the allocated funds is unknown. For the purposes of this fiscal analysis, local government expenditures are designated as one-time.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink that reads "Krista M. Lee".

Krista M. Lee, Executive Director

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